

Senator Cardin's County and Municipal Governments Guide to CARES Act Funding

Community Development Block Grant (CDBG) – \$5 billion available nationwide

What can the allocated funding be used for? \$5 billion is provided for the Community Development Block Grant (CDBG) program to enable nearly 1,240 states, counties, and cities to rapidly respond to COVID-19 and the economic and housing impacts caused by it, including the expansion of community health facilities, child care centers, food banks, and senior services.

What is the formula for state, county and city assistance? This utilizes the existing formulas used to distribute CDBG funding. Of the amounts provided, \$2 billion will be allocated to states and units of local governments that received an allocation under the fiscal year 2020 CDBG formula, \$1 billion will go directly to states to support a coordinated response across entitlement and non-entitlement communities, and \$2 billion will be allocated to states and units of local government, cities and counties based on the prevalence and risk of COVID-19 and related economic and housing disruption.

How much funding will Maryland receive? The \$1 billion to states to support a coordinated response and the \$2 billion allocated for states and units of local government based on the prevalence and risk of COVID-19 will be distributed directly based on a formula yet to be established by the Secretary of HUD. Of the \$2 billion allocated to states and units of local governments that received an allocation under the Fiscal Year 2020 CDBG Formula, Maryland will receive \$30,749,534 overall, with the funding allocated to the following jurisdictions.

- Baltimore City - \$13,107,682
- Maryland Non Entitlement - \$4,699,844
- Prince George's County - \$3,038,427
- Montgomery County - \$2,956,531
- Baltimore County - \$2,466,365
- Anne Arundel County - \$1,248,862
- Howard County - \$770,729
- Harford County - \$641,426
- Cumberland, Maryland - \$476,457
- Hagerstown, Maryland - \$473,080
- Gaithersburg, Maryland - \$266,028
- Frederick, Maryland - \$243,541
- Salisbury, Maryland - \$228,016
- Annapolis, Maryland - \$156,727
- Bowie City, Maryland - \$116,919

How can a state, territory, or local government unit apply and when can we expect funding? The Department of Housing and Urban Development (HUD) will automatically award these funds to the Maryland Department of Housing and Community Development and respective local housing authority for qualified jurisdictions. The [Maryland Department of Housing and Community Development](#) maintains a list of eligible entities for CDBG Non Entitlement funding. The \$2 billion allocated under the Fiscal Year 2020 CDBG Formula will be awarded within 30 days and the \$1 billion to states to support a coordinated response and the \$2 billion allocated for states and units of local government based on the prevalence and risk of COVID-19 will be distributed directly based on a formula yet to be established by the Secretary of HUD within a 45 day period. ***This section will be updated as additional state and local share information becomes available.***

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Does the CARES Act provide any special flexibility or specific conditions for utilizing CDBG funding? Yes.

In order to ensure resources are quickly deployed and meet the unique response needs to COVID-19, the bill eliminates the cap on the amount of funds a grantee can spend on public services, removes the requirement to hold in-person public hearings in order to comply with national and local social gathering requirements, and allows grantees to be reimbursed for COVID-19 response activities regardless of the date the costs were incurred. This funding builds on \$6.7 billion provided in fiscal years 2019 and 2020 by allowing grantees to combine prior year funds with new funding in order to prevent, prepare for, and respond to COVID-19.

Emergency Solutions Grants (ESG) – \$4 billion available nationwide

What can the allocated funding be used for? These Emergency Solutions Grants (ESG) funds are utilized to address the impact of COVID-19 among individuals and families who are homeless or at risk of homelessness, and to support additional homeless assistance, prevention, and eviction prevention assistance. Eviction prevention activities including rapid rehousing, housing counseling, and rental deposit assistance will mitigate the adverse impacts of the pandemic on working families.

What is the formula for state, county and city assistance? This utilizes the existing formulas used to distribute ESG funding. Of the \$4 billion, \$2 billion will be awarded through the existing formulas within 30 days, with the remaining \$2 billion will be awarded to states and qualified local governments within 90 days under a new formula developed by the Secretary of Housing and Urban Development (HUD). This formula will allocate amounts to benefit the number of unsheltered homeless, sheltered homeless, and those at risk of homeless with the greatest risk factors of transmission of COVID-19.

How much funding will Maryland receive? Of the initial \$2 billion to be awarded in 30 days, Maryland will receive \$30,816,055 overall. Five localities in Maryland, including Baltimore City, Prince George's County, Montgomery County, Baltimore County, and Anne Arundel County, are also eligible to receive direct payments

under ESG. Below is a rough estimate of the \$2 billion in funding to be available to the State and our five largest counties within 30 days. These allocations will not be the same for the second tranche of funding that will be allocated based on a new formula.

- Baltimore City - \$13,143,476
- State of Maryland Non Entitlement - \$8,062,903
- Prince George's County - \$3,047,807
- Montgomery County - \$2,877,593
- Baltimore County - \$2,461,738
- Anne Arundel County - \$1,222,538

How can a state, territory, or local government unit apply and when can we expect funding? The Department of Housing and Urban Development (HUD) will automatically award these funds to the Maryland Department of Housing and Community Development (DHCD) and respective local housing authority for qualified jurisdictions, with the first tranche of funding coming within 30 days, and the second tranche coming within 90 days. DHCD will distribute the non-entitlement share to counties and qualified non-profits. ***This section will be updated as additional state and local share information becomes available.***

Does the CARES Act provide any special flexibility or specific conditions for utilizing this funding? Yes.

None of the ESG funds may be used to require people experiencing homelessness to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services.

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Housing Opportunities for Persons with AIDS (HOPWA) – \$65 million available nationwide

What can the allocated funding be used for? Housing Opportunities for Persons with AIDS (HOPWA) grants can be utilized to help maintain housing, provide temporary rental assistance, and provide additional supportive services to at-risk households with an individual living with AIDS as well as expand operational and administrative flexibilities for housing and supportive service.

What is the formula for state, county and city assistance? This utilizes the existing formulas used to distribute HOPWA funding within 30 days. Of the \$65 million, \$50 million will be awarded through the existing formulas. \$10 million will be provided to existing HOPWA grantees with a supplemental award in addition to the competitively awarded funds they have already received.

How much funding will Maryland receive? Maryland will receive \$2,126,484 overall, with \$1,520,827 in formula funds and \$605,657 in supplemental awards to existing HOPWA grant recipients. While a specific county may not be directly awarded funding, the grantees utilize their funds to meet regional needs.

- Baltimore City – \$1,208,711
- Frederick County – \$232,275
- State of Maryland Non Entitlement – \$79,841
- AIDS Interfaith Residential Services, Inc. – \$149,312
- City of Baltimore, DHCD – \$158,847
- City of Baltimore – \$156,778
- AIDS Interfaith Residential Services, Inc. – \$149,312
- Health Care for the Homeless, Inc. – \$140,720

How can a state, territory, or local government unit apply and when can we expect funding? The Department of Housing and Urban Development (HUD) will automatically award these funds to the Maryland Department of Housing and Community Development (DHCD), respective local housing authorities for qualified jurisdictions, and existing HOPWA grantees within 30 days. The Maryland Department of Health (MDH) provides an [up to date list of grantees and the regions they serve](#).

Does the CARES Act provide any special flexibility or specific conditions for utilizing this funding? Yes. Funds will remain available until September 2022.